

THE WOODLANDS TOWNSHIP

Board of Directors

WORKSHOP MEETING

August 16, 2012

MINUTES

THE STATE OF TEXAS §

COUNTIES OF HARRIS & MONTGOMERY §

The Board of Directors of The Woodlands Township met in regular session, open to the public, on August 16, 2012, posted to begin at 7:30 AM. The meeting was held in a meeting room at the office of The Woodlands Township, Board Chambers, 2801 Technology Forest Blvd, The Woodlands, Texas, within the boundaries of The Woodlands Township.

Chairman:
Bruce Tough

President:
Don Norrell

Vice Chairman:
Peggy Hausman

Staff/Advisors:

Alan Benson
Kim Cogburn
Mary Connell
Karen Dempsey
Taunya Jacques
Miles McKinney
Mike Page
John Powers
Monique Sharp
Bret Strong
Susan Welbes
Renee Williford
Nick Wolda

Secretary:
Ed Robb

Treasurer:
Gordy Bunch

Directors:
Mike Bass
Nelda Luce Blair
Jeff Long

STANDARD ITEMS:

1. Pledge of Allegiance:

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Chairman Tough led the Pledge of Allegiance to the United States flag and Texas State flag.

2. Call meeting to order;

Chairman Tough called the meeting to order at 7:34 a.m. and declared that notice of this meeting was posted 72 hours in advance at the Courthouse of Montgomery and Harris Counties and inside the boundaries of The Woodlands Township at the office building located at 2801 Technology Forest Boulevard, The Woodlands, Texas.

The roll was then called of the duly elected members of the Board with all members present. As there was a quorum of members present, the Board proceeded to conduct business regarding the following matters.

3. Receive, consider and act upon adoption of the meeting agenda;

Motion by: Peggy Hausman moved to adopt the agenda as presented.

Second by: Gordy Bunch

Motion passed unanimously.

| Directors | YES | NO | ABSTAIN |
|--------------------------------|-----|----|---------|
| Tough, Bruce (Chairman) | x | | |
| Hausman, Peggy (Vice Chairman) | x | | |
| Robb, Ed (Secretary) | x | | |
| Bunch, Gordy (Treasurer) | x | | |
| Bass, Mike (Director) | x | | |
| Blair, Nelda Luce (Director) | x | | |
| Long, Jeff (Director) | x | | |

4. Recognize public officials;

Chairman Tough recognized the following individuals:

Lloyd Matthews-former Director, The Woodlands Township

Claude Hunter-former Director, The Woodlands Township

Steve Leakey-President, Alden Bridge Village Association

5. Public comment;

The following individual addressed the Board:

Les Pickett-deferred comments until after presentation of item #9 regarding Park Order 019-09.

6. Recognize The Woodlands Township lifeguards for retaining the title of Texas State Lifeguard

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Champions;

Chairman Tough recognized The Woodlands Township lifeguards for retaining the title of Texas State Lifeguard Champions for five straight years. Team members were introduced by Nick Hluza, The Woodlands Township's Aquatics Superintendent. Chairman Tough then recognized Mr. Hluza for his leadership and management of thirteen swimming pools and professional lifeguard staff.

CONSENT AGENDA:

7. **Receive, consider and act upon the Consent Agenda;**
(This agenda consists of non-controversial or "housekeeping" items required by law. One motion with modifications, if applicable, approves for action, all items contained within the Consent Agenda. Items may be moved from the Consent Agenda to the Regular Agenda by any Board Member making such request prior to a motion and vote.)
- 7.a. **Receive, consider and act upon approval of the minutes of the July 19, 2012 Board Workshop, July 24, 2012 Special Board Budget Workshop, July 25, 2012 Special Board Meeting, July 25, 2012 Regular Board Meeting, July 25, 2012 Town Hall Meeting, July 26, 2012 Special Board Budget Workshop, July 27, 2012 Special Board Budget Workshop, July 30, 2012 Special Board Budget Workshop, and July 31, 2012 Special Board Budget Workshop for the Board of Directors of The Woodlands Township;**

Chairman Tough asked the Board to review the minutes. Director Bass asked that Motion #2 under agenda item #9 from the July 31, 2012 Special Board Workshop minutes read: Second by Mike Bass for discussion purposes only. Corrections to the minutes will be made prior to Board action on this item.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

- 7.b. **Receive, consider and act upon Memoranda of Understanding with The Woodlands Lacrosse Association, the South Montgomery County YMCA, The Woodlands Rugby Football Club and The Woodlands Youth Rugby Club for athletic field use;**

John Powers, Assistant General Manager of Community Services for The Woodlands Township, presented background information on this item with a recommendation that the Board approve the Memoranda of Understanding with: The Woodlands Lacrosse Association, the South Montgomery County YMCA, The Woodlands Rugby Football Club and The Woodlands Youth Rugby Club for athletic field use and authorize the President/General Manager to execute the agreements. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

- 7.c. **Receive, consider and act upon a Shared Access Agreement with Impact Church of The Woodlands;**

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John Powers presented background information on this item with a recommendation that the Board approve a Shared Access Agreement with Impact Church of The Woodlands and authorize the President/General Manager to execute an agreement upon review of legal counsel. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.d. Receive, consider and act upon a Debt Service Excess Tax Collections Report for the period July 1, 2011 through June 30, 2012, as certified by the Montgomery County Tax Assessor and Collector;

Monique Sharp, Assistant General Manager of Finance and Administration for The Woodlands Township, presented background information on this item with a recommendation that the Board accept the Debt Service Excess Tax Collections report for the period July 1, 2011 through June 30, 2012 as certified by the Montgomery County Tax Assessor-Collector. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.e. Receive, consider and act upon a 2012-2013 Debt Service Collection Rate Report as certified by the Montgomery County Tax Assessor and Collector;

Monique Sharp presented background information on this item with a recommendation that the Board accept the 2012-2013 Debt Service Collection Rate report as certified by the Montgomery County Tax Assessor-Collector. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.f. Receive, consider and act upon authorizing submission of materials to preserve eminent domain authority pursuant to Senate Bill 18;

Mike Page, legal counsel for The Woodlands Township, presented background information on this item with a recommendation that the Board authorize the President/General Manager to execute the Required Documentation of Eminent Domain Authority and authorize legal counsel to file same with the State Comptroller's office in accordance with the procedures set forth in Section 2206.101 of the Government Code. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.g. Receive, consider and act upon the purchase of self contained breathing apparatus (SCBA);

Deputy Chief Jerry Bittner presented background information on this item with a recommendation that the Board approve the purchase of twelve Scott Self Contained Breathing Apparatus (SCBA) and twelve Scott air cylinders from Municipal Emergency Services (MES), Inc. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.h. Receive, consider and act upon a request from the Montgomery County Sheriff's Office regarding the sale of excess law enforcement vehicles;

Don Norrell, President/General Manager of The Woodlands Township, provided background information on this item with a recommendation that the Board authorize staff to accept a price of \$3,000 per vehicle (for five vehicles) as full reimbursement as provided under section A2 of the existing agreement between The Woodlands Township and Montgomery County for law enforcement services.

Board discussion followed. Several Directors expressed that the Board should review its current policy on how long to keep law enforcement vehicles before new vehicles are purchased.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.i. Receive, consider and act upon an award of bid for the replacement of wheel friendly area equipment for Harper's Landing Park;

John Powers presented background information on this item with a recommendation that the Board accept the proposal from Misiano Skate Park and award them the bid to provide design and installation of a replacement Wheel Friendly Area at Harper's Landing Park in the amount of \$50,000 and authorize the President/General Manager to execute a construction agreement in connection therewith. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.j. Receive, consider and act upon an award of bid to replace playground equipment at Acacia, Spring Hill, Summer Storm and The Cove parks;

John Powers presented background information on this item with a recommendation that the Board award the bids for the replacement of playground equipment to:

- Playwell in the amount of \$54,600.02 for Acacia Park;

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- McKenna in the amount of \$55,000 for Spring Hill Park;
- Total Recreation/Game Time in the amount of \$54,970.24 for Summer Storm Park;
- Total Recreation/Game Time in the amount of \$29,703.05 for The Cove Park

Board discussion followed. This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.k. Receive, consider and act upon an award of bid for renting holiday lights for Town Green Park;

John Powers provided background information on this item with a recommendation that the Board award the bid for holiday light rentals for Town Green Park to Spectrum Catering for a three year agreement and authorize the President/General Manager to execute a rental agreement. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

7.l. Receive, consider and act upon approval of an access easement with San Jacinto River Authority related to Bear Branch Reservoir;

Mike Page presented background information on this item with a recommendation that the Board grant San Jacinto River Authority an Access Easement for maintenance access to Bear Branch Reservoir and authorize the President/General Manager to execute the Easement Agreement in connection therewith. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Consent Agenda.

8. BRIEFINGS:

9. Receive and consider a presentation regarding Park Order 019-09 related to the prohibition of Motorized Vehicles on Pathways;

John Powers provided background information on Park Order 019-09 and the rules and regulations governing the use of the parks, pathways, and recreation and open space areas of the Township. Following Mr. Powers' comments, Chris Nunes, Director of Parks and Recreation for The Woodlands Township, was called on to elaborate on the basis for prohibiting motorized vehicles on pathways in the Township. Mr. Nunes noted that a primary reason for not allowing motorized vehicles on pathways is based on the risk to pathway users. Other issues related to the use of motorized vehicles on pathways were: speed control, pathway traffic, signage and stencils, and complaints received from residents.

Following Mr. Nunes' presentation, Chairman Tough called on Les Pickett to provide Public Comment on this item. Mr. Pickett spoke in favor of allowing motorized scooters on pathways and requested that the Board consider making changes to Park Order 019-09 to allow this to happen.

Mr. Powers informed the Board that should the Park Order be amended, a Public Hearing would need to be called. Board discussion followed. Mr. Norrell commented that it would be best to have a defined description of what the Board is considering prior to next week's Board meeting.

Following Board discussion, Mark Connor, the Township's Risk Management Consultant, was introduced. Mr. Connor provided additional comments on the subject and then recommended that the Township not allow motorized vehicles on pathways due to the inherent risks. Director Bass commented that the issue under discussion was not about motorized vehicles, but rather about whether to allow two particular scooters on Township pathways. Mr. Connor then changed his recommendation to be that the Township should not allow scooters on Township pathways.

It was the decision of the Board to pull this item as a "Briefing Item" and place it on the Regular Agenda for the August 22, 2012 regular Board meeting for consideration and action.

10. Receive and consider a presentation regarding insurance claims for storm related property damage;

Mark Connor, Risk Management Consultant for The Woodlands Township, provided an update on property damage claims related to an unnamed storm that occurred in The Woodlands on June 12, 2012. These claims were submitted to Chartis Insurance Company, the Township's property and liability insurance carrier. Chartis declined to make payments on the claims as it was determined that the Township was not negligent and took reasonable efforts to cut down dead trees on its property.

Board discussion followed. This item was for information sharing only.

11. REGULAR AGENDA:

12. Recess the regular meeting of the Board of Directors;

Chairman Tough recessed the regular meeting at 9:04 a.m. in order to conduct a Public Hearing.

13. Convene and conduct a public hearing regarding the proposed 2013 Consolidated Budget and proposed 2012 ad valorem tax rate for The Woodlands Township;

Monique Sharp was called on to present an overview of the 2013 Proposed Annual Budget for The Woodlands Township. Ms. Sharp used a PowerPoint presentation and highlighted the following information:

- Current Financial Condition of The Woodlands Township
- Consolidate Budget

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- Revenues
- Expenditures
- Debt Service
- Capital Projects
- Fund Balance

Following Ms. Sharp's presentation, Chairman Tough opened the floor to public comment. The following individuals provided public comment:

- **Claude Hunter**-wanted to know how much additional money is received from property tax on commercial properties that is over and above sales tax and hotel occupancy tax figures
- **Lloyd Matthews**-suggested that the Board address the issue of trees falling on private property for future budget discussions if this is not covered by the Township's liability insurance

14. Reconvene the regular meeting of the Board of Directors;

Chairman Tough reconvened the regular meeting of the Board of Directors at 9:19 a.m.

15. Receive, consider and act upon adoption of The Woodlands Township 2013 Consolidated Budget;

Chairman Tough informed the Board that this item will be acted upon at the August 22, 2012 regular Board of Directors meeting.

16. Receive, consider, adopt and set by Order The Woodlands Township 2012 ad valorem tax rate for maintenance and operations and the 2012 ad valorem tax rate for debt service;

Chairman Tough informed the Board that this item will be acted upon at the August 22, 2012 regular Board of Directors meeting.

17. Receive, consider and act upon granting temporary and permanent consents to easement encroachments and permanent easements to Anadarko Realty, LLC for aerial crane, underground tiebacks and water feature construction and operations;

Mike Page presented background information on this item with a recommendation that the Board grant temporary and permanent consents to easement encroachments and permanent easements to Anadarko Realty, LLC for aerial crane, underground tiebacks and water feature construction and operations and authorize the President/General Manager to execute the agreements in connection therewith. Board discussion followed.

It was the decision of the Board to place this item on the Consent Agenda at the August 22, 2012 regular Board meeting for consideration and action.

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18. **Receive, consider and act upon adoption of Resolution 011-12 related to governance planning for The Woodlands Township;**

Chairman Tough informed the Board that this item will be acted upon at the August 22, 2012 regular Board meeting.

19. **Receive, consider and act upon consideration of changing The Woodlands Township Board of Directors' elections from a May date to a November date;**

Chairman Tough informed the Board that Director Bass asked that the Board revisit this issue. The Chair then called on Karen Dempsey, Management Analyst for The Woodlands Township, to present this item. Ms. Dempsey provided background information on SB 100 which allows governmental entities to move its election from May to November. This provision expires December 31, 2012. Ms. Dempsey reminded the Board that action was taken in November 2011 to continue May elections.

Ms. Dempsey then reviewed the pros and cons for moving the Township's Board of Directors election from May to November. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Regular Agenda.

20. **Receive, consider and act on a Service Agreement with Alpha & Omega Mounted Security Patrol;**

John Powers presented background information on this item with a recommendation that the Board accept the proposal from Alpha & Omega Mounted Security Patrol for a three year Service Agreement and authorize the President/General Manager to execute the agreement in connection therewith.

Marian Leck, Director of Law Enforcement for The Woodlands Township, was called on to provide clarification on this item. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Regular Agenda.

21. **Receive, consider and act upon a recommendation from the Audit Committee regarding acceptance of the 2011 Comprehensive Annual Financial Report;**

Monique Sharp presented background information on this item and referred the Board to a draft copy of the Comprehensive Annual Financial Report (CAFR). Ms. Sharp informed the Board that a final copy of the report would be available at the August 22, 2012 regular Board meeting. Blazek & Vetterling, Certified Public Accountants, audited the Township's financial records and the results were reviewed with the Township's Audit Committee on August 8, 2012.

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Following Ms. Sharp's presentation, Chairman Tough called on Director Bass, Chair of the Township's Audit Committee, to make a recommendation. Director Bass recommended that the Board accept the Audit Committee's recommendation to accept the Comprehensive Annual Financial Report for the year ended December 31, 2011. Board discussion followed.

It was the decision of the Board to place this item on the Consent Agenda at the August 22, 2012 regular Board meeting for consideration and action.

22. Receive, consider and act upon award of bid for all-weather turf at sports fields;

John Powers presented background information on this item and then called on Chris Nunes to answer questions regarding the use of all weather turf fields. Staff recommended that the Board award the bid to McAnany Construction, Inc. for the all-weather fields at Bear Branch Sportsfields 1, 3, 4, 5 and Alden Bridge Sportspark fields 1 and 2 and authorize the President/General Manager to execute a Construction Agreement in the amount of \$3,455,158, in connection therewith. Board discussion followed.

This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Regular Agenda.

23. Receive, consider and act upon an Interlocal Agreement between The Woodlands Township and the City of Conroe regarding the operations of the new Conroe / The Woodlands large urbanized area as created by changes to the Federal Transit Administration's Section 5307 Urbanized Area Formula Program as a result of the 2010 Census (this item will be acted upon at the August 22, 2012 Board of Directors Meeting);

Chairman Tough informed the Board that this item will be acted upon at the August 22, 2012 regular Board meeting.

Note: Items #25 and #24 were taken in reverse order.

25. Receive, consider and act upon establishing a date for a Board of Directors' Planning Retreat;

Chairman Tough called on Don Norrell to provide information on this item. Mr. Norrell informed the Board that during the Board's budget workshops, the Board requested future planning retreats to discuss various topics such as transportation and mobility, reserve policies, water conservation and potential water sources, Developer relationship through the Consent Agreement and Convention and Visitor Bureau funding and other long range planning issues.

Mr. Norrell proposed holding quarterly meetings of the Board of Directors with the first retreat to be held on Friday, October 19, 2012 from 8 a.m. to noon. It was proposed that the Board discuss only two topics during each planning session.

Board discussion followed. Several Directors had scheduling conflicts for the proposed date of October 19, 2012. The Board requested that alternative dates be looked at prior to the August 22, 2012 meeting.

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This item will be brought forward to the August 22, 2012 regular Board meeting for consideration and action under the Regular Agenda.

24. Receive, consider and act upon a workers' compensation insurance proposal;

Chairman Tough called on Susan Welbes, Director of Human Resources for The Woodlands Township, to present this item. Ms. Welbes provided background information on this item with a recommendation that the Board select Texas Mutual Insurance Company as the workers' compensation insurance provider for The Woodlands Township for the period from September 12, 2012 through September 12, 2013 and authorize the President/General Manager to bind coverage for this insurance at an annual cost of \$271,109. Board discussion followed.

It was the decision of the Board to place this item on the Consent Agenda for consideration and action at the August 22, 2012 regular Board meeting.

CLOSED MEETING (if applicable):

26. Recess to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; and to consult with The Woodlands Township's attorney pursuant to §551.071, Texas Government Code;

The Board recessed at 10:38 a.m. to Executive Session.

27. Reconvene in Public Session;

The Board reconvened in Public Session at 11:39 a.m. Chairman Tough announced that it would not be necessary to take action at this time on matters discussed in Executive Session.

28. Receive, consider and act upon a request from The Woodlands Professional Firefighters Association that The Woodlands Township provide a defined benefit plan under the Texas Local Firefighters Retirement Act (TLFFRA) for qualifying employees under the Texas Local Firefighters Act (TLFFRA);

Chairman Tough informed the Board that this item will be acted upon at the August 22, 2012 regular Board of Directors meeting.

29. ADMINISTRATIVE REPORTS:

Administrative Reports were not presented due to time constraints.

30. Community Policing;

No Report

31. Community Services;

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No Report

32. The Woodlands Convention & Visitors Bureau;

No Report

33. The Woodlands Fire Department;

No Report

DISCUSS FUTURE AGENDA / ANNOUNCEMENTS:

34. Consideration of items to be placed on the agenda for next month's meeting;

No items were received.

35. Board announcements;

There were no Board announcements.

36. Public comment, and;

There was no Public Comment.

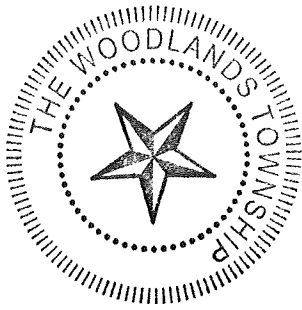
37. Adjournment

Motion by: Jeff Long moved to adjourn the meeting at 11:40 a.m.

Second by: Nelda Luce Blair

Motion passed unanimously.

| Directors | YES | NO | ABSTAIN |
|--------------------------------|--------|----|---------|
| Tough, Bruce (Chairman) | x | | |
| Hausman, Peggy (Vice Chairman) | x | | |
| Robb, Ed (Secretary) | x | | |
| Bunch, Gordy (Treasurer) | x | | |
| Bass, Mike (Director) | absent | | |
| Blair, Nelda Luce (Director) | x | | |
| Long, Jeff (Director) | x | | |



A handwritten signature in black ink, reading "Ed Robb".

Ed Robb
Secretary, Board of Directors